AN ONLINE NEWSLETTER FOR PEOPLE INTERESTED IN VIRGINIA'S GOVERNMENT PURCHASING PROCESS

SWaM Expenditures Improving

Now that most of us have settled into the New Year - after the holiday office parties, after bargain shopping for the perfect gift - we are able to reflect on how 2007 ended and what direction our businesses can take for 2008.

To develop this "direction" it's important to take a look at the facts. And in this case, the facts are in the numbers.

In 2008, the Procurement Assistance Team at the Virginia Department of Business Assistance continues to provide support to both vendors and state buyers to achieve Governor Tim Kaine's goal of 40% of the Commonwealth's discretionary spending to go to certified small businesses.

If you need help developing a strategic marketing list to target state agencies who buy your commodity, please contact Serwa Lee at 804-371-0465 or via email at Serwa.Lee@ vdba.virginia.gov.

VDBA's Procurement Assistance team is also now teaming with regional partners to offer free, one-on-one, 60-minute counseling sessions around the state. Please call 866-248-8814 to find out when a procurement manager will be in your area and to schedule an appointment. Phone consultations also available.

The VDBA team looks forward to supporting you through a prosperous 2008.

Upcoming Webinar

Identifying Your Target Market in the State

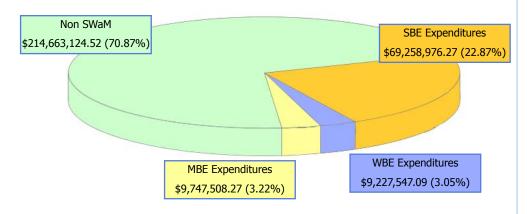
Join this free, 60-minute teleseminar on finding the targeted market for your business within Virginia government. You will need access to a telephone line and PC for this session.

> February 27th, 2008 12 p.m. - 1 p.m.

Register online by visiting the Events page at:

www.vdba.virginia.gov

SWaM Expenditures for FY 2008 through November



Current data as reported on https://www.bfountain.com/swam/dashboard/

INSIDE THIS ISSUE:

Saul's International Supplier Success Story

DMBE's New Year's Plans

Small Business Job Creation Grows

page 3

Supplemental Guarantee Program

page 4

BOWD Center Opens

page 4

Upcoming Supplier-Buyer Networking Events page 5

Success Story

CRYSTAL SAULS SAULS INTERNATIONAL, RICHMOND, VIRGINIA

MATCHMAKING EVENT TRANSLATES INTO

BIG BUSINESS

Crystal Sauls, owner of Sauls International, a business which offers translation, interpretation and training services for businesses in both the public and private sector, attended the Crater Procurement Assistance Center Construction Matchmaking event held at John Tyler Community College's Chester campus on August 28, 2007 and walked away with more than she bargained.

"I was standing around waiting to see who was available, and there were several tables [available]", she says. She decided to pay a visit to the vendor who had replaced the U.S. Army recruiters' table.

In doing so, she met with Nick Nemi with Pro Veterans, a business which finds contracting opportunities for various types of firms.

"I told him about our services and he smiled!" she says. "He hadn't smiled all day!! He said that he used translation services, and that he'd been using the US Embassy in another country to get them."

"Now he will be using Sauls International as we are local. He was really excited and thought that it was a coincidence that a translation company would be at a construction matchmaking event."

"We also provide training services for those in the construction industries, and that's why I wanted to come," she said.

Sauls met with several more vendors who proved to be helpful business contacts. Some of them included the owner of small business Roper and Scaffolding, and about four other vendors who'd needed translation assistance services, particularly Spanish translation.

"They were all so amazed that a translation company would be at the event, and most of the vendors expressed how they had been in meetings talking about how they would go about filling their needs for Spanish-language translation services. That is a barrier for many construction and landscaping firms", she said.

"They were all so amazed that a translation company would be at the event, and most of the vendors expressed how they had been in meetings talking about how they would go about filling their needs for Spanishlanguage translation services."

Crystal Sauls

New Year... New Director... New Digs... Oh My!

Just before 2007 came to a close, Governor Tim Kaine announced a new appointment at the Virginia Department of Minority Business Enterprise (DMBE).

After a national search for a new executive at the agency that officially certifies small, women and minority-owned businesses for the Commonwealth, Samuel Hayes, III was selected to take the helm.

Hayes arrives as no stranger to state procurement or small business advocacy. With more than 19 years of government management experience, Mr. Hayes takes over as director of DMBE after leaving the Office of Procurement and General Services for the Virginia Department of Health. In that position he managed procurement activities valued at \$97 million.

"Mr. Hayes is an excellent fit for this very important job," Governor Kaine said. "He brings a wealth of experience, including as a procurement officer for a major state agency." Hayes impressive credentials also includes a role as director of operations for the Roanoke Education Authority from 2000 to 2006. He also has served as department/division manager for the Roanoke Utility Line Services Department and as resident engineer for the Richmond Metropolitan Authority.

Hayes received his bachelor's degree in civil engineering from Old Dominion University and is currently working toward a master's degree in public administration at Virginia Tech.

continued on page 3

continued on page 3

continued from page 2

"I plan to be in touch with the vendors within the next few weeks to plan some things for 2008 in hopes of helping them with their business needs."

Sauls also met with a representative from another small business, WM Jordan, a week after the event. "One of the representatives, Sharon Rhinehart, was at the event," she said.

"An associate of mine gave me her contact information and I left a message detailing our services for the construction industry. When she called back she was so excited," said Sauls.

"She informed me that their subcontractors hire Hispanic workers, and that they may be interested in our services. I was invited to attend a seminar in Newport News that they offer for their sub- and potential subcontractors, teaching them how to do business with WM Jordan.

They discussed every aspect of a winning proposal, job safety and invoicing to name a few topics. I was able to do a mini presentation of our services at the beginning of the meeting which was very helpful. Several staff members from both the Richmond and Newport News offices of WM Jordan are interested in our services and are currently analyzing how Sauls International and WM Jordan can work together in 2008."

Sauls says that the John Tyler event isn't the last matchmaking session hosted that she plans to attend. "There were several success stories but these were especially keyin making my visit

Crystal advises other businesses to attend match making events.

"There were several success stories... I look forward to attending more events" at John Tyler a memorable one," she said. "I look forward to attneding more events."

Sauls International was the Small Business Administration's 2006 Virginia Home-Based Business of the Year and has been featured in several local and natioanl publications.

At VDBA, we look forward to hearing more success stories like these from you! If you'd like to submit a story detailing any successful experiences involving state procurement,

please send your submissions to either Serwa Lee at Serwa.Lee@vdba. virginia.gov, or Tiffany Taylor-Minor at TiffanyTaylor-Minor@vdba.virginia.gov. You could be our next feature!

Sauls International

407 Williamsburg Road Richmond, Virginia 24522 1-434-352-8350 DMBE Certified Small Business

continued from page 2

New Year...

Other newsworthy changes at DMBE include moving into new shared office space with the Virginia Department of Business Assistance in Richmond, Virginia.

While the two agencies remain independent of one another, colocating will provide one-stop resources for state procurement information. In first quarter 2008, DMBE will move into vacated space on the third floor of 707 E. Main Street in downtown Richmond.

Small Business Creates Virginia's Jobs Added 77,200 Net New Jobs, Latest Data Shows

According to the U.S. Small Business Administration's Office of Advocacy, small business continues to create Virginia's new jobs, according to the latest data. The updated Virginia Small Business Profile released in October 2007 by the division, shows that small businesses added 77,200 net new jobs during the latest year studied.

"Small businesses are Virginia's job-creating dynamo," said Dr. Chad Moutray, Chief Economist for the Office of Advocacy. "They are the key to the state's ability to increase gross state product, personal income, and total employment. Clearly policymakers need to consider their impact on small business when they are making policy decisions."

Updated data and statistics on the state's small businesses are available at www.sba.gov/advo/research/profiles. The updated profile also shows that:

- In 2006, the state had an estimated 643,600 small businesses, of which 177,200 were employer firms.
- Small businesses employed 48.8 percent of the state's non-farm private workforce in 2004.
- The state had 30,500 Asianowned firms, 41,100 Black-owned firms, 19,000 Hispanic-owned firms, 2,700 Native American-owned firms, and 420 Native Hawaiian and Pacific Islander-owned firms in 2002 (latest data). (Note: cannot be totaled, as business owners chose multiple ethnic and racial categories).

continued on page 4

VIRGINIA SUPPLEMENTAL GUARANTY PROGRAM

First ever federal-state partnership to co-guarantee small business loans.

The Small Business Administration (SBA) and the Virginia Small Business Financing Authority (VSBFA) have entered into a Memorandum of Understanding creating the Virginia Supplemental Guaranty Program, an innovative new approach to financing which allows both agencies to coguarantee loans made by participating financial institutions to Virginia's small businesses.

The new partnership between SBA and the Virginia Small Business Financing Authority (VSBFA), the first of its kind in the nation, was created to improve access to capital for small firms within the Commonwealth of Virginia. Under the authority of the Small Business Act, SBA may guarantee loans extended by financial institutions to small business concerns. Likewise, VSBFA is also authorized to provide quarantees on loans extended by financial institutions to small business concerns.

Under the Virginia Supplemental Guaranty Program, SBA and VS-BFA will co-guarantee eligible small business loans, up to an aggregate co-guaranteed amount of 85 percent of the gross amount of the loan. The participating lender must retain risk equal to at least 15 percent on each co-guaranteed loan.

"We thank the Virginia Small Business Financing Authority for committing to the Virginia Supplemental Guaranty Program, " said Ron Bew, Director of SBA's Richmond District Office. "We believe that this partnership will allow

continued on page 5

BOWD Center Offers Unprecedented State Resources

The Virginia Department of Transportation (VDOT) has opened the state's first Business Opportunity and Workforce Development (BOWD) Center. The BOWD Center is a two-year pilot program providing underutilized disadvantaged business enterprise firms with the tools and knowledge they need to become more competitive when vving for federal-aided contracts. The BOWD Center, one of only 15 in the nation, is funded by the Federal Highway Administration.

It will offer supportive services to 22 DBE firms including bidding, estimating, financial management, marketing, bonding and loan packaging. In addition, fifty trainees will participate in the On-the-Job training program in an effort to increase diversity on highway construction sites and assist prime contractors in fulfilling affirmative action requirements.

Resources such as access to computers, meeting space, and bid preparation software, are also available for firms. The Department of Virginia Business Assistance is one fourteen collaborating partners. For additional information, go to www.virginiadot.org/business/ BOWD.asp or call the BOWD Center

continued from page 3

Small Business...

Women-owned firms totaled 157,000 and generated \$22.1 billion in revenues in 2002 (latest data).

For more information and a copy of all the state and territory small business profiles, visit the Office of Advocacy

Helpful Resources

VIRGINIA BUSINESS INFORMATION CENTER PROCUREMENT ASSISTANCE

1-866-248-8814

vbic@dba.virginia.gov

Procurement Assistance Questions:

Kathy Dolan 804-371-0488

kathryn.dolan@vdba.virginia.gov

Tiffanty Taylor-Minor 804-371-0357 tiffany.taylor-minor@vdba.virginia.gov

Tammy Farmer 804-371-8258 tammy.farmer@vdba.virginia.gov

Spend Report/Target Marketing Assitance:

Serwa Lee 804-371-0465 serwa.lee@vdba.virginia.gov

Virginia Department of Business Assistance (VDBA)

"Selling To The Commonwealth" www.vdba.virginia.gov

Department of Minority Business Enterprise (DMBE) -**SWAM Certification**

(Toll free in Virginia only) 1-800-223-0671 www.dmbe.virginia.gov

dmbe@dmbe.virginia.gov

eVA

www.eva.virginia.gov

Customer Care: 1-866-289-7367

eVAcustomercare@dgs.virginia.gov

continued from page 4

GUARANTY PROGRAM...

more Virginia small businesses to get the financing they need to grow and prosper."

Loans processed under SBA's 7(a) loan programs including those processed under regular 7(a) guidelines, SBA Express, SBA Community Express, and Patriot Express are eligible for consideration under the Virginia Supplemental Guaranty Program. The gross loan amount of each co-guaranteed loan will not exceed the limits established by SBA, currently \$2,000,000 for the 7(a) program, \$350,000 for the SBA Express loan program, and \$500,000 for the Patriot Express loan initiative.

"We are excited about the Commonwealth's partnership with the SBA and it solidifies our efforts to keep Virginia businesses moving forward," said Virginia Governor Timothy M. Kaine. "This first-ever partnership demonstrates our commitment to nurture small businesses."

Small businesses seeking financing will apply to a participating lender. The lender will follow normal procedures in applying for both an SBA guaranty and a VSBFA guaranty on the same loan. VSBFA will notify SBA when a co-guaranteed loan is approved. The VSBFA guaranty is limited to \$200,000 or 35 percent of the loan, whichever is less. The combined SBA/VSBFA co-guarantee is limited to 85 percent of the loan amount. The participating lender will pay both the SBA and VSBFA their respective fees under applicable rules and regulations.

For more information about SBA loan guaranty programs including a list of SBA participating lenders, please visit http://www.sba.gov/localresources/district/va/financing/index.html. For information about VSBFA's loan guaranty programs, please visit http://www.dba.virginia.gov/financing.

Upcoming Procurement Assistance Events

JANUARY 30TH, VDBA WEBSITE

WEBINAR - "UNDERSTANDING CONSTUCTION CONTRACTING IN THE COMMONWEALTH"

www.vdba.virginia.gov

FEBRUARY 7TH, GORDONSVILLE

ENTREPRENEUR EXPRESS

VDBA, Fluvanna, Louisa and Orange County Partners

FEBRUARY 14TH, LEBANON

ENTREPRENEUR EXPRESS

VDBA, Russell County Area Partners

FEBRUARY 16TH, VIRGINIA BEACH

"CITY OF VIRGINIA BEACH AFRICAN-AMERICAN HISTORY MONTH
CELEBRATES ENTREPRENEURIAL CONNECTION"

Virginia Beach Minority Business Council, Virgniia Beach Economic

Development

FEBRUARY 28TH, PEMBROKE

ENTREPRENEUR EXPRESS

VDBA, Giles County Area Partners

MARCH 6TH, HARRISONBURG

ENTREPRENEUR EXPRESS

VDBA, Area Partners

SUPPLIER-BUYER EXCHANGE is published bi-monthly by the Virginia Department of Business Assistance. If you would like to be added to our email distribution list, email serwa.lee@vdba.virginia.gov. If you have suggestions for future topics, email Tiffany.taylor-minor@vdba.virginia.gov.

CONTRIBUTORS: Tiffany Taylor-Minor, VDBA| Serwa Lee, VDBA| Deborah Hudson, DGS